

Appendix 1

Application 09/376381



Items cited Page 2	Examiner's Rebuttal	Applicant's Comments	New Claims Response
Carrier cargo system	Col 4, line 53-60	No mentioned of any cargo system	
Agent/Users terminal	Col 4, line 53-60	Yes mentions agent terminal	Our system is for registered agents and service providers.
Option price	Abstract	Yes but for an airline ticket	
Freight service option	Abstract	Yes but for an airline ticket. It is also very clear that Walker's recognize this. (Col 3, lines 1-3)	
Exchange environment	Col 1, lines 40-67, col 2, lines 1-9	Talks about financial options in the stock market. Exchange Environment as explained by Walker is merely to detail the history of options and its usage. It does not seek to teach its workings. Firstly cargo option has never been traded in any exchange environment because it has not been invented until now. Secondly financial options may be netted off by cash, the same cannot be said with cargo options as goods need to be delivered. The fact that to date no cargo option has even been mooted underscores the unobviousness of such an invention to one familiar with the art.	
Electronically visible	Col 4, lines 1-15	Basically a reservation system for airlines, there is no similar reservation system for cargo. This is partly due to lack of legal requirements to share pricing information between cargo service providers.	
Pre-assigned user accounts	Col 7, lines 40-43	No connection as walker teach about revising the option price by user while my application defines each user with their own accounts.	
Central controller	Col 4, lines 27-34, 59	Yes but any system needs a central processor to do some calculation	
CPU and a memory	Col 4, lines 19-20	Yes, standard to all computers	
Connected to CPU	Col 4 lines 16-67	Yes, common to all computers	
User terminal	Col 4, line 53-60	Yes, it's a network design	Includes browser software to access the host computer/gateway on the internet.
Transmitting to said controller	Col 4, lines 27-34, 59	Yes terminals are linked to said controller. Our system is a network though which means any other system can be linked	

		to our central controller. Walker's is more like a standalone with modem ports to dial up to which uses different protocols of communications as in the application. But this is not Walker's fault as in his days, the internet is not as popular.	
Date of departure, flexibility, type of cargo and route criteria	Abstract, Col 5, lines 41-64, Col 6, lines 40-67, Col 7, lines 1-26	Basically the components are identical in form but for the underlying objects, for example type of cargo, final price etc are not in Walker's as it is not related to cargo. Secondly there are other data from cargo system responding to the first set of data by user and together all these data which eventually go into the option formula. In Walker's only data from option database and customer information where customer information relies on departure criteria, destination criteria and travel criteria are extracted.	Noteworthy is that each cargo system must determine their own responses if any to a cargo option request. No such option in Walker. Components are not limited to the date of departure of cargo, final price payable, destination of cargo, arrival date of cargo, flexibility of arrival date, type of cargo and route criteria.
Items cited page 3			
Cargo system	Col 4, line 53-60	Talks about connecting to terminals and not to a cargo system. No relevance.	
Flight passengers reservation system	Col 4 lines 1-15	Correct was mentioned as a tool to decide on cargo loading. But this is or passenger's plane where cargo and passengers spaces are considered. For pure cargo transporter this is not necessary.	Removed reference as not critical for pure cargo service providers
Central controller	Col 4, lines 27-34, 59	Standard to computer	
Demand rate, Standard Deviation	Col 7, line 22	Yes but Walker uses historical while we get LIVE data from cargo system which means data has to be calculated rather than provided as in Walker from option database (Col 6, 15-17).	It should be understood that our cargo system may have reservation functions (ie a customer may book without knowing the price) and sell cargo option hence its prices source from underlying physical market must be LIVE, hence a market environment is required.
Freight Option	Abstract	Yes but refers to Airline ticket	
Components related to cargo system	Abstract, Col 6 lines 40-67, Col 7 lines 1-26, Col 7, lines 55, Col 8, lines 7-8	There is no doubt, information is required in both cases but the variable components provided are different as the formula induces different components	In Titanium Metals Corp. v. Banner, 227 USPQ 773 (Fed. Cir. 1985), the court went on to say that it was

		and serve different purpose. This is to say even though it is only a simple formula, the components are not interchangeable.	immaterial what properties the alloys had or who discovered the properties because the composition is the same and thus must necessarily exhibit the properties. It is clear that the formula composition between Walker's and my application is different.
Said memory	Col 4, lines 19-20	Yes which is standard to computers	
A program	Col 4, lines 20-22, Col 5, lines 29-31, Col 6, lines 9-11	Yes, an option calculation program is required to run instructions in a computer. Useful to note that a program is merely electronic steps to do something. Hence it is important to evaluate the different steps employed. In Walker's it merely collects the info from user, user database and from option database and run a simple multiplication against the factors representing the requirements. In my application, the program waits for input from cargo systems before running the multiplication and in the case of base price, cargo system calculates this factor on based on the final price payable by client and weighted cost of capital before forwarding this result to host computer. This means for example, our client is able to name the final price payable while Walker's fixes the base by assigning a fraction corresponding to the final value of the ticket where the fraction decreases when the ticket price approaches the full fare price.	It is clear that if we are to follow Walker's teaching, we will not be able to get our option pricing correct. The program recited here interprets data from cargo system and from user and transform these data bytes to an electronic contract with a monetary value and offer it to the requester for the optional purchase of cargo space at a fix price in the future. The main advantage besides able to price a cargo option as versus an option to purchase an airline ticket is that the client can fix the final price payable. Walker's need to fix the final ticket price first in order to calculate the base price.
For calculating	Abstract, Col 6 lines 13,28	Same as above	
Option Price	Abstract, Col 6 lines 13,28	Yes but option for cargo space not airline ticket	
Freight facility option	Col 7, lines 4-5	Again the option is not for an airline ticket	
Freight option price	Abstract	Error here, the exact wording from my Claims is Freight price not freight option price as written in Examiner's response. There is a difference between	

		the two.	
Satisfied the customer/buyer requirements	Abstract, Col 5, lines 41-64, Col 6, lines 40-67, Col 7 lines 1-26	Yes but Walker has only 3 components whereas in my claims, it covers more requirements. The crucial difference not mentioned in Walker's is that in my claims, cargo system first must check if these requirements are suitable. So for example if there is no available transporter with space able to arrive on the date, the cargo system will not respond for the particular data, or if the final price is not 'acceptable' the cargo system may not respond. Walker's patent is silent in this and it is presumed that irregardless the central controller will always response with a price of some sort.	The date of departure of cargo, final price payable, destination of cargo, arrival date of cargo, flexibility of arrival date, type of cargo and route criteria. Components are different, treatment of components are different and no obligation to response.
Factors/criteria	Abstract, Col 3, lines 35-37, Col 5, lines 41-67, Col 6, lines 40-67, Col 7, lines 1-26, 54-56	Walker's is limited to Departure criteria, destination criteria and travel criteria.	The date of departure of cargo, final price payable, destination of cargo, arrival date of cargo, flexibility of arrival date, type of cargo and route criteria.
Agent terminal	Col 4 line 53-60	Yes	
Respective reservation system	Col 4, lines 1-15	Yes however in Walker's specs it is a centralized passenger reservation systems. In my claim, it refers to individual cargo reservation cargo system. There is no centralized cargo reservation system.	
Items Cited Page 4			
Updated from time to time	Col 7 line 62-65	Examiner pointed to a customer database in Walker's being updated. In my claims, I was referring to option prices being updated whenever the criteria/inputs change and hence option prices are updated. Ie when customer make changes to data, option price is updated.	
Options and terms	Col 7, lines 52-61, Col 8, lines 15	Yes both Walker and my claims have a database which must update data representing options terms.	
Para 2 Page 4	Without password protection and a login sequence, the database could not be updated...therefore	My claims point to registered users having a password and login sequence to enter the system (not database) to check their option positions and to buy	

	because the database in Walker is updateable, it naturally must have password and login sequence.	and sell options within the limits of their authority. They do not have administrative access to the database but only user access and this distinction is important. Furthermore updates are done by central controller upon request by user's input such as purchase of option etc. The examiner is concern about login and password for the database which is inherent in any database. This is however not the same as given users their own login and passwords within their own accounts in the database. Text based database have no password because it is basically a text file which is used as a database having formats like .tab or .csv etc They are however updateable.	
Program	Col 4, lines 20-22	See above	
Memory	Col 4, lines 19-20	See above	
Client request	Col 5, lines 39-41	Here Walker's patent only mention the client selects the flight information and sent it to the central controller, it can't do the other things like search, sell offer to buy etc	
User terminal	Col 4, line 53-60, Col 7, Lines 27-30	Yes	
Offer to buy	Col 7, lines 28-30	Not exactly, since offer to buy means, the client is not happy with the price given by the central controller and offer another price ie offer to buy (or counter-offer). In Walker's the client has no choice but to either accept the price (ie buy not counter offer) or not buy or vary the inputs.	
Credit Card Transaction	Col 7, lines 27-35, Col 8 Lines 10-15	Yes	Will change this to bank accounts as the amount for Cargo spaces options are usually beyond credit cards. Will include some kind of payment arrangement where money are debit and credit between sellers and buyers.
Buy the option	Col 7, 28-30	Yes this is a buy situation but see above. Also notice that the program is buying on behalf of	

		the client which means the central processor is the arranger in this case while Walker's central processor is the seller ie the airline 's computer which is my equivalent of cargo system (seller). In short, Walker patent talk about a one to one while in my claims, we have many sellers to one buyer at anyone time requesting for a price.	
Customer request	Col 7, lines 28-30	Citation by examiner has nothing to do with wanting to exercise the option.	
Items Cited Page 5			
Para 3, line 2, the word air should not be there			This is an application for not only air cargo but also rail etc.
Items Cited Page 6			
Para 1, line 4		The examiner has incorrectly included the word "option" in freight option price. My original claims should read as "standard deviation of the freight price "	
Para 2, line 4		As above	
Para 3 line 3		Spelling mistake "We" by examiner when it should be "the"	
Items Cited Page 7			
factor	Abstract, Col 3 lines 35-37, Col 5, lines 41-67, Col 6, lines 40-67, Col 7, lines 1-26, 54-56)	No connection with abstract and Col 5, lines 41-67 talks about criteria not factors, Col 7, lines 1-26 describe how option prices are calculated and output to user either as a single or multi prices for different sectors which are not linked to factors. I agree with Col 3 lines 35-37 and Col 7 lines 54-56 which mentioned factors but as mentioned before these factors are different from Walkers by properties and dimensions.	Some factors link to cargo are used. This is unavoidable as these determinants were calculated based on empirical data. However the New Claims include real values in the formula which distinguish from Walker as Walker uses factors exclusively.
Items Cited Page 8			
Para 1, line 8			The word "plane" should not be there.
Calculating	Abstract, Col 6 lines 13, 28	Yes	
Para 3, line 5		Again examiner's error in	

		including option price when it should be freight price only that is being used for standard deviation calculation	
Items Cited Page 9			
Para 2, line 3		Including the word option again when it should be freight price	
Updating	Col 7, lines 62-65	Yes, as it refers to updating deals completed by users.	
Items Cited Page 10			
Similar items have been cited in other pages			
Items Cited Page 11			
Similar items have been cited in other pages			
Items Cited Page 12			
Cargo freight option price	Col 7, line 26	Shows either the formula or blank in Walker's patent, so I am not sure what the examiner is aiming at here. Seems to me quote the wrong line.	
Particular period	Col 7, lines 27-35	The cited lines deal with methods of making payment for the purchase of an option while in my claims, it highlights the property of the option contract ie to pay for within a particular period. This is to say that the option must be exercised within a period of time.	
Steps of using said option to pay for the freight cargo service	Col 6, 17-25	The examiner type incorrectly the word "to" in-between said and option in the second last line from bottom. Furthermore the reference refers to a way of showing multiple option prices based on a route that the user may select etc which is unrelated to using the option to pay for the freight cargo service.	
Items Cited Page 13			

Name of user and route criteria	Col 5, lines 43-44	The reference cited departure criteria, destination criteria and travel criteria and went on to explain the factors behind the criteria. My claim simply states that the step to enquiry cargo flight route includes providing information etc and none of the said information is under the criteria in Walker's as cited by examiner's reference.	
Items Cited Page 14			
Updating	Col 7, lines 62-65	Yes this is reference to customer's database, which exists in both.	
Claims immediately	Col 7, lines 30-35, Col 8, Lines 10-15,27-30	Col 7, lines 30-35 is agreeable since it refers to billing customer's credit card, however in my application there is a difference between claims ie accounts payable being updated into the database. In credit card transaction, nothing is actually settled immediately since it is a credit facility, hence a payment at anytime before settlement is actually a credit from the bank hence a claim in our records. In short, my application allows for book entries ie debit one and credit one which are not settled outside the system and hence are book entry. This is also for user to user while Walker's is really between the provider to user. Col 8, line 10-15 details billing the user on exercise of option in said reference which I believe to have no relevance to my claim for user to user transaction. Col 8, lines 27-30 refers to the airline not able to do anything until the option is exercise etc so I am not sure how this is related to my claim for user to user option sale and purchase since I have yet to mention exercising these options.	In new claims, we are getting rid of the credit card business since the amount is too large for credit card to work. Also linking to banks to actually instruct payment transfers between users accounts as a way to settle claims immediately by debit and credit.